



Sean Rogan
Executive Director

**HOUSING AUTHORITY
of the County of Los Angeles**

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Gloria Molina
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Michael D. Antonovich
Commissioners

January 10, 2012

The Honorable Board of Commissioners
Housing Authority of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

ADOPTED

BOARD OF COMMISSIONERS
HOUSING AUTHORITY

#2-H JANUARY 10, 2012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Commissioners:

AWARD A JOB ORDER CONTRACT AND APPROVE CONSTRUCTION TASK CATALOG (ALL DISTRICTS) (3 VOTES)

SUBJECT

This letter recommends award of a Job Order Contract (JOC) to Harry H. Joh Construction Inc., to provide maintenance, repair, refurbishment, rehabilitation, retrofit and other repetitive-type work at Housing Authority developments. The letter also recommends approval of the JOC Task Catalog, which includes the labor, equipment, material costs and specifications necessary for work under the JOC.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the award of the JOC and adoption of the Construction Task Catalog are exempt from the provisions of the California Environmental Quality Act (CEQA), because the work includes activities that will not have the potential for causing a significant effect on the environment.
2. Award and authorize the Executive Director or his designee to execute or amend the JOC, work orders and all related documents with Harry H. Joh Construction Inc. (Contractor), the lowest responsive and responsible bidder, for an amount not to exceed a cumulative total of \$4,000,000, to provide maintenance, repair, refurbishment, rehabilitation, retrofit and other repetitive-type work for Housing Authority developments on an as-needed basis, using Community Development Commission (Commission) General Funds and various program funds allocated by the U.S. Department of Housing and Urban Development (HUD).
3. Adopt the October 2011 JOC Task Catalog.

4. Authorize the Executive Director or his designee to terminate the Contractor's right to proceed with the performance of the JOC or terminate the JOC if necessary.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The JOC program is a flexible, cost-effective, unit price, and indefinite quantity contracting method used to effectively and efficiently accomplish maintenance, repair, refurbishment, rehabilitation, retrofit and other repetitive-type work at Housing Authority developments without extensive plans and specifications. This process reduces administrative requirements, and lowers direct construction costs while meeting all Federal, State, and County procurement requirements.

JOC programs have been successfully implemented by the Housing Authority, County's Internal Service Department, Department of Public Works and other local and federal agencies.

FISCAL IMPACT/FINANCING

There is no impact on County general funds.

On August 24, 2010, the Board of Commissioners of the Community Development Commission authorized a \$3.5 million dollar loan of Commission General Funds to the Housing Authority. As of October 31, 2011, a total of \$627,300 had been used from this loan, and a portion of the remaining funds available will be used to fund work orders as needed from the JOC.

The JOC will also be funded with public housing operating funds, non-conventional funds, Community Development Block Grant funds and Capital Fund Program funds included in the Housing Authority's approved Fiscal Year 2011-2012 budget. Funds for future years will be included in the Housing Authority's annual budget approval process.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On January 4, 2011, your Board approved the award of a contract to the Gordian Group for consulting services to assist the Housing Authority with the development, implementation, and support of the JOC program. The Gordian Group prepared the Job Order Contract Construction Task Catalog, which includes the labor, equipment, material costs and specifications necessary for work under the JOC.

On May 31, 2011, your Board approved a JOC pilot program. To evaluate the effectiveness of the JOC pilot program, Housing Authority staff compared the time and cost of implementing two current capital projects under the JOC and the traditional design, bid and build process and determined that there were substantial savings on staff time, consultant and construction costs.

The program is being primarily federally funded, and is not subject to the requirements of the Greater Avenues for Independence (GAIN) Program or the General Relief Opportunity for Work (GROW) Program implemented by the County of Los Angeles. Instead, the Contractor will comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain HUD assistance be directed to low- and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

The JOC has been approved as to form by County Counsel and executed by Harry H. Joh Construction Inc. On December 14, 2011, the Housing Commission recommended approval of the JOC award.

ENVIRONMENTAL DOCUMENTATION

Pursuant to Title 24 of the Code of Federal Regulations, Section 58.35 (a)(3)(ii), this action is excluded from the National Environmental Policy Act (NEPA) because it involves activities that will not alter existing environmental conditions. The recommended action, to adopt the JOC Construction Task Catalog and award of the JOC are categorically exempt from CEQA. JOC provide facilities repairs, maintenance, retrofit and refurbishment services requested by Housing Authority, which are generally categorically exempt under Section 15301, Class 1 of the State CEQA Guidelines. The proposed projects are covered by the general rule that CEQA applies only to the projects that have the potential for causing a significant effect on the environment. Your Board's approval of the JOC does not include approval of work done pursuant to specific work orders. The implementation of each work order under the JOC shall be subject to prior determination and documentation by the Housing Authority that the work is categorically exempt from CEQA. In the event the work is not exempt, your Board will be requested to approve the appropriate environmental finding and any applicable documentation pursuant to CEQA prior to implementation of work orders under the JOC.

CONTRACTING PROCESS

With the assistance of the Gordian Group consultants, on September 13, 2011, the Housing Authority publicly advertised for bids on an open competitive basis in accordance with applicable Federal, State, and County requirements to identify a contractor to complete work under the JOC program. Announcements were sent to 328 contractors identified from the Housing Authority vendor list. Advertisements also appeared in one local newspaper and on the County and Housing Authority websites.

On October 18, 2011, eight bids were received and formally opened. The lowest bid, submitted by Harry H. Joh Construction Inc., is being recommended for the JOC award.

The Summary of the Outreach Activities is provided as Attachment A.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The award of the JOC will expedite the completion of maintenance, repair, retrofit and refurbishment of housing developments and will allow the Housing Authority to continue to provide residents with decent, safe and sanitary living conditions.

The Honorable Board of Supervisors

1/10/2012

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Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sean Rogan", followed by a horizontal line.

SEAN ROGAN

Executive Director

SR:mo